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April 12, 1999

*Shirley -
Cared for
p's response*

Ms. Melanne Verveer
Chief of Staff to the First Lady
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20050

Dear Melanne:

By the way, in looking over the bill designed to reauthorize the Corporation, I've noticed little explicit language that would extend funding to promote Service Learning in K-12 and higher education, and in community-based organizations. There are obviously many competing priorities. And it is of the essence to the President and all of us that AmeriCorps is institutionalized for the foreseeable future. But wouldn't the exponential increase in the number of young people that would be involved in humanitarian service in their own communities, if Service Learning were increased substantially, be an important component of this legacy?

On another level, in terms of any discretionary emphasis on Service Learning in the Corporation's current 1999 Application Guidelines for AmeriCorps and AmeriCorps-VISTA, I've noticed that the language does indeed imply some favor may be given to proposals in which AmeriCorps members are working to promote Service Learning (and also to those in empowerment zones). This is exciting to see, as it is something I was pushing last year. But the language is not explicit in articulating that "priority funding" will be given to proposals that adhere to this suggestion. Hence, the language may not actually mean much in practice..

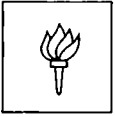
All told, this makes me wonder if the full resources of youth are being tapped in the pending legislation and in relevant administrative decisions, and thought you might want to see this remedied, if it is at all feasible.

Hope life's going well for you.

All best,

Susan M. Andersen
Professor of Psychology

cc: Shirley Sagawa



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*Hi Shirley -
Rg I.
Hope you're well.
Best, Susan*

Dear Melanne:

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✓ cc: Shirley Sagawa



February 1999

SECTION ANALYSIS OF KENNEDY REAUTHORIZATION DRAFT

Comment: The following is a section analysis prepared by the staff of the National and Community Service Coalition and should not be viewed as an official description of the draft prepared by Senator Kennedy's staff with input from the Corporation for National Service. Attempts have been made to provide a literal analysis of the legislative text compared to current law with appropriate clarifications in commentary as necessary. Interpretations are subject to further discussion with and elaboration by the bill's drafters as to the intent in the drafting of various provisions of the legislation.

Section 1. Short Title

Sets forth the title of the act as the "National and Community Service Amendments Act of 1999."

Section 2. Table of Contents

Self-explanatory.

TITLE I – Amendments to the National and Community Service Act of 1990

Section 101. References

Provides guidance for references in the Act.

Section 102. General Provisions

Amends the table of contents of the National and Community Service Act to establish a new section 149, "National service scholarship program."

Amends section 2 (Findings and Purpose) of the Act to add a new purpose #9: to "expand and strengthen service-learning programs to improve the education of children and youth and to maximize the benefits of national and community service."

Makes technical and conforming changes to definitions in the Act.

Section 103. School-Based and Community-Based Service-Learning Programs

Amends a reference regarding to consultation for purposes of participation in service-learning programs by student and teachers from private schools.

Permits the participation of Indian tribes as qualified organizations for purpose of participation in community-based service programs for school-age youth.

Deletes a reference to “increased priority” in awarding grants and contracts to applicants for higher education innovative programs for community service. (The law maintains a current priority for applications which contained certain prescribed elements.)

Section 104. National Service Trust Program

Deletes the authority for the Corporation for National Service to enter into contracts or cooperative agreements with other Federal agencies to support a national service program carried out by such agencies. (This is a codification of limitations already agreed upon as part of annual appropriations bills.)

Adds a new subsection limiting the Corporation’s share of the aggregate cost of national service positions “approved under the national service laws” to \$15,000 per participants in fiscal year 1999, indexed for inflation in fiscal years 2000 through 2004. Defines the “cost” of an approved national service positions to be the “average budgeted cost per individual enrolled in an approved national service position, including the administrative and support cost attributable to the individual.”

Makes conforming amendments to delete references to the eligibility of federal agencies to conduct national service programs under national service laws administered by the Corporation for National Service.

Makes permissive, rather than mandatory, the Corporation’s formula allocation of national service funds to states, but established a minimum state grant for a fiscal year to be an amount not less than \$500,000.

Deletes the eligibility of Palau to receive a national service grant under the section.

Provides greater flexibility to the Chief Executive Officer in making assistance available to programs placing applicants who are individuals with a disability. Establishes as a goal “increasing the participation of individuals with disabilities” rather than “placing a substantial number of individuals with disabilities” as the parameters for assistance to programs.

Establishes new authority for the Chief Executive Officer to support demonstration programs promoting the participation of individuals with a disability in national service.

Adds a new subsection permitting the Corporation for National Service to reserve up to \$15 million annually to provide operational support to programs that receive national service positions but do not receive funds under section 121(a). Limits such assistance to no more than \$1,000 per individual placed in an approved national service position in a program. For these entities, eliminates the application of administrative cost, matching fund, and participant benefit requirements generally applicable to national service programs.

Deletes the requirement that AmeriCorps service be performed “before, during, or after attendance at an institution of higher education.” (Draft section 104(h))

Amends the law to require a program to provide a participant an “annual living allowance, for 12 months of service” with a prorated reduction in the event that full-time service is less than 12 months in duration.

Section 105. National Service Trust

Permits the use of appropriated funds from the National Service Trust to be used for the payment of national service scholarships (under section 149).

Adds to the Corporation’s annual report to Congress a required accounting for the number of student who receive national service scholarships and specifics on the amounts and sources of funds expended on the program.

Amends the limitation on the payment of educational awards to “no more than an amount equal to the aggregate value of 2 national service educational awards for full-time service” rather than the current law limitation of providing educational awards only on the basis of the first or second terms of service. (Comment: Under the change, an individual could receive an educational award for more than 2 terms of service but not aggregating more than the value of 2 awards for full-time service.)

Broadens the definition of qualifying student loans to include certain loans made to parents and any loan made directly to a student by an eligible lender, a State agency, or a lender “otherwise determined by the Corporation to be eligible to receive disbursements from the National Service Trust.”

Adds a new section 149 permitting the use of funds in the Trust to support a national service scholarship program “to recognize secondary juniors and seniors who are engaged in outstanding community service.”

Section 106. Civilian Community Corps

Adds to the purpose of the Civil Community Corps determining “whether such programs can meet national and community needs relations to natural and other disasters in coordination with FEMA (and other organizations).”

Adds a new subparagraph providing for the selection of Team Leaders, without regard to age limitations otherwise application to the Corps, to perform service that includes leading and supervising teams of Corps members. Provides that such leaders shall be deemed to be members of the Corps for most purposes, except for the limitation on the amount of living allowance applicable to Corps members (presently set at not to exceed 100 of the poverty line for a family of two).

Section 107. Administrative Provisions

Provides a technical amendment as to the applicability of the automatic one year extension of authority for Congress to appropriate funds for carrying out the Act in the absence of reauthorization. (GEPA section renumbering in 1994.)

Section 108. Corporation for National and Community Service.

Amends the Act to provide for a five year term for individual appointed as members of the Board. (The original law established staggered terms for the start-up of the agency.) Provides that an appointed member whose term has expired may continue to serve until a successor has taken office or the subsequent Congress adjourns, whichever is earlier.

Deletes a report required to be submitted by September 30, 1995.

Grants the Chief Executive Office the authority to "enter into agreement with other Federal agencies to carry out activities to further implementation of the national service laws."

Section 109. Points of Light Foundation

Authorizes the Chief Executive Officer of the Corporation for National Service to serve as an ex officio, nonvoting members of the Board of Directors of the Points of Light Foundation (a private nonprofit organization).

Section 110. Authorization of Appropriations

Authorizes the appropriation of such sums as may be necessary for fiscal years 1999 through 2004 for the purpose of carrying out school-based and community-based service-learning programs, AmeriCorps, education awards, innovative programming, the Community Conservation Corps, the Points of Light Foundation, and administration of the Corporation for National Service.

TITLE II – Amendments to the Domestic Volunteer Service Act of 1973

Section 201. References

Provides guidance for references in the Act.

Section 202. General Provisions

Changes references in the table of contents from the "National Senior Volunteer Corps" to the "National Senior Service Corps."

Section 203. National Volunteer Antipoverty Programs (AmeriCorps*VISTA)

Changes a reference to persons "afflicted with" poverty-related programs to those "affected by" such problems.

Adds to the statement of purpose of VISTA supporting "efforts by local agencies and organizations to achieve long-term sustainability of programs of full-time volunteers in the absence of Federal assistance."

Inserts language encouraging the Director to enter into agreements with public agencies and private organizations under which those entities pay all, or a portion of, the direct cost of supporting volunteers serving in VISTA.

Permits the Director to pay a stipend to volunteer leaders under VISTA but removes the requirement that such leaders have served as volunteers in VISTA for at least one year prior to becoming leaders.

Section 204. National Senior Service Corps

Amends the statement of purpose to include providing “opportunities for service by older individuals to meet unmet national, State, and local needs in the areas of education, public safety, health and human services, and the environment.”

Includes references to each of the three programs under the Senior Corps as including individuals age 55 or older. (As is currently the case in RSVP only.)

Deletes references in the purpose of the Foster Grandparent Program to providing “supportive, individualized services to children with exceptional or special needs” and inserts in lieu thereof having “a positive impact on the lives of children in need.”

Deletes references in the purpose of the Senior Companion Program to providing “personal assistance and companionship to other older individuals through volunteer service” and inserts in lieu thereof providing “critical support services and companionship to adults who are at risk of institutionalization and who are struggling to maintain a dignified independent life.”

Adds as a purpose of the Senior Corps the provision of “demonstration and other programs to enable older individuals to meet unmet needs in their communities.”

Amends eligibility in both the Foster Grandparent Program and Senior Companion Program to permit the enrollment of individuals age 55 or older (with individuals age 60 or older given priority for enrollment). (Current law provides enrollment of individuals age 60 or older in FGP and SCP.)

Amends the definition of “low-income” for purposes of the Foster Grandparent Program and Senior Companion Program to apply to any person whose income is not more than 150 percent of the poverty line. (Current law defines “low-income” to be 125 percent of the poverty line.)

Corrects various references to conform with the new age requirement and name of the programs.

Authorizes the appropriation of such sums as may be necessary for fiscal years 1999 through 2004 for the purpose of carrying out VISTA, VISTA literacy activities, special volunteer programs, literacy challenge grants, RSVP, FGP, SCP, and senior demonstration programs, as well as administration of those programs.

TITLE III – Technical Amendments to Other Laws

Corrects references in the National and Community Service Trust Act of 1993 and the Bilingual Education Act.

106TH CONGRESS
1ST SESSION

S. _____

IN THE SENATE OF THE UNITED STATES

_____ introduced the following bill; which was read twice and
referred to the Committee on _____

A BILL

To amend the National and Community Service Act of 1990
and the Domestic Volunteer Service Act of 1973 to ex-
tend the authorizations of appropriations for the pro-
grams carried out under such Acts, and for other pur-
poses.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National and Commu-
5 nity Service Amendments Act of 1999”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

TITLE I—AMENDMENTS TO NATIONAL AND COMMUNITY SERVICE
ACT OF 1990

- Sec. 101. References.
- Sec. 102. General provisions.
- Sec. 103. School-based and community-based service-learning programs.
- Sec. 104. National Service Trust program.
- Sec. 105. National Service Trust.
- Sec. 106. Civilian Community Corps.
- Sec. 107. Administrative provisions.
- Sec. 108. Corporation for National and Community Service.
- Sec. 109. Points of Light Foundation.
- Sec. 110. Authorization of appropriations.

TITLE II—AMENDMENTS TO THE DOMESTIC VOLUNTEER
SERVICE ACT OF 1973

- Sec. 201. References.
- Sec. 202. General provisions.
- Sec. 203. National volunteer antipoverty programs.
- Sec. 204. National Senior Service Corps.
- Sec. 205. Administration and coordination.
- Sec. 206. Authorization of appropriations.

TITLE III—TECHNICAL AMENDMENTS TO OTHER LAWS

- Sec. 301. Reference to Secretary of Education.
- Sec. 302. Reference to National and Community Service Trust Act of 1993.

1 TITLE I—AMENDMENTS TO NA-
2 TIONAL AND COMMUNITY
3 SERVICE ACT OF 1990

4 SEC. 101. REFERENCES.

5 Except as otherwise expressly provided, whenever in
6 this title an amendment or repeal is expressed in terms
7 of an amendment to, or repeal of, a section or other provi-
8 sion, the reference shall be considered to be made to a
9 section or other provision of the National and Community
10 Service Act of 1990 (42 U.S.C. 12501 et seq.).

11 SEC. 102. GENERAL PROVISIONS.

12 (a) TECHNICAL AMENDMENT TO TABLE OF CON-
13 TENTS.—The table of contents in section 1(b) (42 U.S.C.

1 prec. 12501) is amended by inserting after the item relat-
2 ing to section 148 the following:

“Sec. 149. National service scholarship program.”.

3 (b) PURPOSE.—Section 2(b) (42 U.S.C. 12501(b)) is
4 amended—

5 (1) in paragraph (7), by striking “; and” and
6 inserting a semicolon;

7 (2) in paragraph (8), by striking the period and
8 inserting “; and”; and

9 (3) by adding at the end the following:

10 “(9) expand and strengthen service-learning
11 programs to improve the education of children and
12 youth and to maximize the benefits of national and
13 community service.”.

14 (c) TECHNICAL AMENDMENTS TO DEFINITIONS.—
15 Section 101 (42 U.S.C. 12511) is amended—

16 (1) in paragraph (19), by striking “119(b)(1),
17 or 122(a)” and inserting “119(b)(1), 122(a), or
18 149”;

19 (2) in paragraph (21)(B)—

20 (A) by striking “section 602(a)(1)” and in-
21 serting “section 602(3)”; and

22 (B) by striking “20 U.S.C. 1401(a)(1)”
23 and inserting “20 U.S.C. 1401(3)”; and

24 (3) in paragraph (26), by striking the second
25 sentence.

1 **SEC. 103. SCHOOL-BASED AND COMMUNITY-BASED SERV-**
2 **ICE-LEARNING PROGRAMS.**

3 (a) REFERENCE TO ELEMENTARY AND SECONDARY
4 EDUCATION ACT OF 1965.—Section 115A(b) (42 U.S.C.
5 12528(b)) is amended by striking “consultation, withhold-
6 ing, notice, and judicial review requirements in accordance
7 with paragraphs (3) and (4)” and all that follows and in-
8 serting “the requirements of section 14506 of the Elemen-
9 tary and Secondary Education Act of 1965 (20 U.S.C.
10 8896).”.

11 (b) INCLUSION OF INDIAN TRIBES AS QUALIFIED
12 ORGANIZATIONS.—Section 117(3) (42 U.S.C. 12541(3))
13 is amended by inserting before the period “, or an Indian
14 tribe”.

15 (c) HIGHER EDUCATION INNOVATIVE PROGRAMS
16 FOR COMMUNITY SERVICE.—Section 119(e) (42 U.S.C.
17 12561(e)) is amended—

18 (1) by striking paragraph (2);

19 (2) by striking “(1) IN GENERAL.—”;

20 (3) by redesignating subparagraphs (A) through
21 (G) as paragraphs (1) through (7), respectively, and
22 aligning the margins of those paragraphs with the
23 margins of paragraph (2) of subsection (d) of such
24 section;

25 (4) by redesignating clauses (i) through (iii) as
26 subparagraphs (A) through (C), respectively, of

1 paragraph (4) and aligning the margins of those
2 subparagraphs with the margins of subparagraph
3 (B) of subsection (d)(2) of such section; and
4 (5) by redesignating subclauses (I) through
5 (III) as clauses (i) through (iii), respectively, of
6 paragraph (4)(B) and aligning the margins of those
7 clauses with the margins of clause (i) of subsection
8 (d)(2)(A) of such section.

9 **SEC. 104. NATIONAL SERVICE TRUST PROGRAM.**

10 (a) **AUTHORITY TO PROVIDE ASSISTANCE AND POSI-**
11 **TIONS.**—Section 121 (42 U.S.C. 12571) is amended—

12 (1) by striking subsection (b);

13 (2) by redesignating subsections (c) through (e)
14 as subsections (b) through (d), respectively;

15 (3) in subsection (b) (as redesignated in para-
16 graph (2)), by striking “subsections (a) and (b)”
17 and inserting “subsection (a)”;

18 (4) in subsection (c) (as redesignated in para-
19 graph (2))—

20 (A) in paragraph (1), by striking “or (b)”;

21 and

22 (B) in paragraph (2)(A), by striking “or
23 (b)”;

24 (5) by adding at the end the following:

25 “(e) **COST OF PARTICIPANTS.**—

1 “(1) LIMIT.—The Corporation share of the ag-
2 gregate cost of national service positions approved
3 under the national service laws may not exceed the
4 product of—

5 “(A) the number of such positions; and

6 “(B) the amount determined under para-
7 graph (2).

8 “(2) AMOUNT PER PARTICIPANT.—

9 “(A) FISCAL YEAR 1999.—For fiscal year
10 1999, the amount referred to in paragraph
11 (1)(B) shall be \$15,000.

12 “(B) FISCAL YEARS 2000 THROUGH 2004.—
13 For each of fiscal years 2000 through 2004, the
14 amount referred to in paragraph (1)(B) shall be
15 the amount determined under this paragraph
16 for the preceding fiscal year, adjusted to reflect
17 the percentage increase in the Consumer Price
18 Index for All Urban Consumers published by
19 the Secretary of Labor, occurring in the 1-year
20 period immediately preceding the date the ad-
21 justment is made.

22 “(3) COST.—For purposes of paragraph (1),
23 the cost of an approved national service position
24 shall be the average budgeted cost per individual en-
25 rolled in an approved national service position, in-

1 including the administrative and support cost attrib-
2 utable to the individual.”.

3 (b) TECHNICAL AMENDMENT TO PROVISION ON ELI-
4 GIBILITY OF PROGRAMS.—Section 122(a) (42 U.S.C.
5 12572(a)) is amended by striking “and each Federal agen-
6 cy receiving assistance under section 121(b)”.

7 (c) TECHNICAL AMENDMENT TO PROVISION ON ELI-
8 GIBILITY OF POSITIONS.—Section 123 (42 U.S.C. 12573)
9 is amended—

10 (1) in paragraph (1), by striking “subsection
11 (a) or (b) of section 121” and inserting “section
12 121(a)”; and

13 (2) in paragraph (2)(A), by striking “an insti-
14 tution of higher education, or a Federal agency” and
15 inserting “or an institution of higher education”.

16 (d) TECHNICAL AMENDMENT TO SPECIAL ASSIST-
17 ANCE PROVISION.—Section 126(c)(3) (42 U.S.C.
18 12576(c)(3)) is amended by striking “section 121(e)” and
19 inserting “section 121(d)”.

20 (e) PROVISION OF ASSISTANCE AND POSITIONS.—
21 Section 129.(42 U.S.C. 12581) is amended—

22 (1) in subsection (a)—

23 (A) in paragraph (1)—

1 (i) by striking “Of the funds” and all
2 that follows through “the Corporation
3 shall” and inserting the following:

4 “(A) IN GENERAL.—Of the funds allocated
5 by the Corporation for provision of assistance
6 under section 121(a) for a fiscal year, the Cor-
7 poration may”; and

8 (ii) by adding at the end the follow-
9 ing:

10 “(B) MINIMUM STATE GRANTS.—Notwith-
11 standing subparagraph (A), no State described
12 in subparagraph (A) shall receive a grant under
13 subparagraph (A) for a fiscal year in an
14 amount less than \$500,000.”;

15 (B) in paragraph (2)—

16 (i) by striking “provision of assistance
17 under subsections (a) and (b) of section
18 121” and inserting “provision of assistance
19 under section 121(a)”; and

20 (ii) by striking the second sentence;
21 and

22 (C) in paragraph (3), by striking “provi-
23 sion of assistance under subsections (a) and (b)
24 of section 121” and inserting “provision of as-
25 sistance under section 121(a)”; and

1 (2) in subsection (d)—

2 (A) in paragraph (1), by striking “provi-
3 sion of assistance under subsections (a) and (b)
4 of section 121” and inserting “provision of as-
5 sistance under section 121(a)”;

6 (B) in paragraph (2)—

7 (i) in the paragraph heading, by strik-
8 ing “FEDERAL AGENCIES AND OTHER AP-
9 PLICANTS” and inserting “OTHER APPLI-
10 CANTS”;

11 (ii) by inserting “and” before “institu-
12 tions of higher education”; and

13 (iii) by striking “, and Federal agen-
14 cies”;

15 (C) by striking paragraph (3);

16 (D) by redesignating paragraphs (4) and
17 (5) as paragraphs (3) and (4), respectively;

18 (E) in paragraph (4) (as redesignated in
19 subparagraph (D))—

20 (i) in subparagraph (B)—

21 (I) in the heading, by striking
22 “ASSIST ENTITIES IN PLACING APPLI-
23 CANTS WHO ARE” and inserting “IN-
24 CREASE THE PARTICIPATION OF”;

25 (II) in clause (i)—

1 (aa) in subclause (I), by
2 striking "receive a grant to carry
3 out a national service program
4 under paragraph (1) or (2)" and
5 inserting "receive assistance,
6 such as funding or an allotment
7 of approved national service posi-
8 tions, to carry out activities
9 under the national service laws";

10 (bb) in subclause (II), by
11 striking "a substantial number
12 of"; and

13 (cc) in subclause (III), by
14 striking "placing a substantial
15 number of such individuals with
16 a disability as participants in
17 projects carried out through the
18 program" and inserting "increas-
19 ing the participation of individ-
20 uals with disabilities in activities
21 carried out under the national
22 service laws"; and

23 (III) in clause (ii), by striking
24 "as funds made available through a
25 grant made under paragraph (1) or

1 (2)” and inserting “as assistance de-
2 scribed in clause (i)(I)”; and
3 (ii) in subparagraph (C)—

4 (I) in the heading, by striking
5 “DISABILITY” and inserting “DISABIL-
6 ITY AND FOR DEMONSTRATION PRO-
7 GRAMS.”;

8 (II) in the matter preceding sub-
9 clause (I), by striking “to pay for the
10 Federal share described in section
11 121(e)” and inserting “to support
12 demonstration programs promoting
13 the participation of individuals with a
14 disability in national service and to
15 pay for the Federal share described in
16 section 121(d)”;

17 (III) in subclause (I), by striking
18 “the programs specified in section
19 193A(d)(10)” and inserting “national
20 service programs carried out under
21 the national service laws”; and

22 (3) by adding at the end the following:

23 “(h) RESERVATION OF FUNDS TO SUPPORT PRO-
24 GRAMS REDUCING CORPORATION COSTS.—

1 “(1) PROVISION OF OPERATIONAL SUPPORT.—

2 From amounts appropriated for a fiscal year pursu-
3 ant to section 501(a)(2) and made available to pro-
4 vide financial assistance under this subtitle, and sub-
5 ject to paragraph (2), the Corporation may reserve
6 an amount of not more than \$15,000,000 to provide
7 operational support to programs that receive ap-
8 proved national service positions under this subtitle
9 but do not receive funds under section 121(a).

10 “(2) LIMITATION ON AMOUNT OF OPERATIONAL
11 SUPPORT.—The amount of operational support pro-
12 vided under this subsection may not exceed \$1,000
13 per individual placed in an approved national service
14 position in such a program.

15 “(3) NO ADMINISTRATIVE COST, MATCHING
16 FUND, AND PARTICIPANT BENEFIT REQUIRE-
17 MENTS.—Programs supported under this subsection
18 shall not be subject to the administrative cost,
19 matching fund, and participant benefit requirements
20 of subsections (d) and (e) of section 121, section
21 131(e), and subsections (a), (d), and (e) of section
22 140.”.

23 (f) APPLICATION PROVISIONS.—Section 130 (42
24 U.S.C. 12582) is amended—

1 (1) in subsection (a), by striking “using the as-
2 sistance” and all that follows through “or Federal
3 agency” and inserting “using the assistance, an ap-
4 plicant”;

5 (2) in subparagraphs (A) and (B) of subsection
6 (d)(1), by striking “subsection (a) or (b) of section
7 121” and inserting “section 121(a)”; and

8 (3) in subparagraphs (A) and (B) of subsection
9 (f)(2), by striking “institution of higher education,
10 or Federal agency” and inserting “or institution of
11 higher education”.

12 (g) TECHNICAL AMENDMENT TO APPLICATION CON-
13 sideration Provision.—Section 133(d)(2) (42 U.S.C.
14 12585(d)(2)) is amended—

15 (1) by striking subparagraph (A); and

16 (2) by redesignating subparagraphs (B)
17 through (G) as subparagraphs (A) through (F), re-
18 spectively.

19 (h) TECHNICAL AMENDMENT TO PARTICIPANT PRO-
20 vision.—Section 137(a)(3) (42 U.S.C. 12591(a)(3)) is
21 amended by striking “to be performed before, during, or
22 after attendance at an institution of higher education”.

23 (i) TECHNICAL AMENDMENT TO PARTICIPANT SE-
24 lection Provision.—Section 138(a) (42 U.S.C.
25 12592(a)) is amended by striking “Federal agency.”.

1 (j) TECHNICAL AMENDMENT TO TERM PROVISION.—
2 Section 139(a) (42 U.S.C. 12593(a)) is amended by strik-
3 ing “perform full- or part-time national service for at least
4 one term of service” and inserting “complete at least 1
5 term of full- or part-time national service as”.

6 (k) LIVING ALLOWANCES.—Section 140(a) (42
7 U.S.C. 12594(a)) is amended—

8 (1) in paragraph (1), by striking “a living al-
9 lowance” and inserting “an annual living allowance,
10 for 12 months of service,”; and

11 (2) in paragraph (4) by striking “a reduced
12 term of service under section 139(b)(3)” and insert-
13 ing “a term of full-time service under section
14 139(b)(1) that is less than 12 months”.

15 **SEC. 105. NATIONAL SERVICE TRUST.**

16 (a) ESTABLISHMENT OF THE NATIONAL SERVICE
17 TRUST.—Section 145 (42 U.S.C. 12601) is amended—

18 (1) in subsection (a)(1)—

19 (A) in subparagraph (A), by striking “;
20 and” and inserting a semicolon;

21 (B) in subparagraph (B), by striking the
22 semicolon and inserting “; and”; and

23 (C) by adding at the end the following:

24 “(C) national service scholarships under
25 section 149;”;

1 (2) in subsection (c), by striking “for payments
2 of national service educational awards in accordance
3 with section 148.” and inserting “for—

4 “(1) payments of national service educational
5 awards and interest in accordance with paragraphs
6 (1) through (4) of section 148(a); and

7 “(2) awards of national service scholarships in
8 accordance with section 149.”; and

9 (3) in subsection (d)—

10 (A) in paragraph (3)(B), by striking “;
11 and” and inserting a semicolon;

12 (B) in paragraph (4), by striking the pe-
13 riod and inserting “; and”; and

14 (C) by adding at the end the following:

15 “(5) identify the number of students who
16 received national service scholarships under sec-
17 tion 149, and specify the amount and sources
18 of funds expended on the national service schol-
19 arship program carried out under section 149,
20 during the fiscal year.”.

21 (b) ELIGIBLE INDIVIDUALS.—Section 146 (42 U.S.C.
22 12602) is amended by striking subsection (c) and insert-
23 ing the following:

24 “(c) LIMITATION ON RECEIPT OF EDUCATIONAL
25 AWARDS.—An individual may receive, through the na-

1 tional service educational awards, no more than an
2 amount equal to the aggregate value of 2 national service
3 educational awards for full-time service.”.

4 (c) TECHNICAL AMENDMENT TO AWARD AMOUNT
5 PROVISION.—Section 147(a) (42 U.S.C. 12603(a)) is
6 amended by striking “, for each of not more than 2 of
7 such terms of service,”.

8 (d) DISBURSEMENT.—Section 148 (42 U.S.C.
9 12604) is amended—

10 (1) in subsection (b)(7)—

11 (A) in subparagraph (A), by striking “;
12 and” and inserting the following: “or a loan to
13 a parent pursuant to part D of title IV of such
14 Act (20 U.S.C. 1087a et seq.) with the same
15 terms, conditions, and benefits as a loan made
16 pursuant to section 428B of such Act;”;

17 (B) in subparagraph (B), by striking the
18 period and inserting “; and”; and

19 (C) by adding at the end the following:

20 “(C) any loan (other than a loan described
21 in subparagraph (A) or (B)) determined by an
22 institution of higher education to be necessary
23 to cover a student’s cost of attendance at the
24 institution and made directly to a student by—

1 “(i) an eligible lender, as defined in
2 section 435 of the Higher Education Act
3 of 1965 (20 U.S.C. 1085);

4 “(ii) a State agency; or

5 “(iii) a lender otherwise determined
6 by the Corporation to be eligible to receive
7 disbursements from the National Service
8 Trust.”;

9 (2) in subsection (e), by striking “subsection
10 (b)(6)” and inserting “subsection (b)(7)”; and

11 (3) in subsection (f), by striking “Director” and
12 inserting “Chief Executive Officer”.

13 (e) NATIONAL SERVICE SCHOLARSHIP PROGRAM.—
14 Subtitle D of title I (42 U.S.C. 12601 et seq.) is amended
15 by adding at the end the following:

16 **“SEC. 149. NATIONAL SERVICE SCHOLARSHIP PROGRAM.**

17 “The Corporation may use amounts in the Trust to
18 support a national service scholarship program to recog-
19 nize secondary school juniors and seniors who are engaged
20 in outstanding community service.”.

21 **SEC. 106. CIVILIAN COMMUNITY CORPS.**

22 (a) PURPOSE.—Section 151 (42 U.S.C. 12611) is
23 amended—

24 (1) in paragraph (3), by striking “; and” and
25 inserting a semicolon;

1 (2) in paragraph (4), by striking the period and
2 inserting “; and”; and

3 (3) by adding at the end the following:

4 “(5) whether such programs can meet national
5 and community needs related to natural and other
6 disasters in coordination with the Federal Emer-
7 gency Management Agency and other public and pri-
8 vate organizations.”.

9 (b) TECHNICAL AMENDMENT TO PROGRAM PROVI-
10 SION.—Section 153(c) (42 U.S.C. 12613(c)) is amended
11 by striking “BACKGROUNDS” and inserting “BACK-
12 GROUNDS”.

13 (c) CIVILIAN COMMUNITY CORPS.—Section 155(b)
14 (42 U.S.C. 12615(b)) is amended by adding at the end
15 the following:

16 “(4) TEAM LEADERS.—

17 “(A) IN GENERAL.—The Director may se-
18 lect individuals with prior supervisory or service
19 experience to be team leaders in the Corps, to
20 perform service that includes leading and super-
21 vising teams of Corps members.

22 “(B) CRITERIA.—Team leaders shall be se-
23 lected without regard to the age limitation de-
24 scribed in section 153(b)(1).

1 “(C) TREATMENT.—For purposes of this
2 subtitle, particularly subsections (b) and (c) of
3 section 160, team leaders shall be deemed to be
4 members of the Corps and shall be provided the
5 rights and benefits applicable to Corps mem-
6 bers, except that the limitation on the amount
7 of the living allowance available under section
8 158(b) shall not apply.”.

9 (d) AUTHORIZED BENEFITS.—Section 158 (42
10 U.S.C. 12618) is amended—

11 (1) by striking subsections (e) and (g); and

12 (2) by redesignating subsection (f) as sub-
13 section (e).

14 (e) TECHNICAL AMENDMENT TO PROVISION CON-
15 CERNING OTHER DEPARTMENTS.—Section
16 162(a)(1)(B)(i) (42 U.S.C. 12622(a)(1)(B)(i)) is amended
17 by striking “section 4462 of the National Defense Author-
18 ization Act for Fiscal Year 1993” and inserting “section
19 1143a of title 10, United States Code”.

20 **SEC. 107. ADMINISTRATIVE PROVISIONS.**

21 Section 181 (42 U.S.C. 12641) is amended by strik-
22 ing “Section 414” and inserting “Section 422”.

1 **SEC. 108. CORPORATION FOR NATIONAL AND COMMUNITY**
2 **SERVICE.**

3 (a) **BOARD OF DIRECTORS.**—Section 192 (42 U.S.C.
4 12651a) is amended—

5 (1) by striking subsection (c) and inserting the
6 following:

7 “(c) **TERMS.**—Subject to subsection (e), each ap-
8 pointed member shall serve for a term of 5 years.”; and

9 (2) by adding at the end the following:

10 “(e) **SERVICE UNTIL APPOINTMENT OF SUCCES-**
11 **SOR.**—An appointed member of the Board whose term has
12 expired may continue to serve until the earlier of—

13 “(1) the date on which a successor has taken
14 office; or

15 “(2) the date on which Congress adjourns sine
16 die to end the session of Congress that commences
17 after the date on which the term expired.”.

18 (b) **TECHNICAL AMENDMENTS TO AUTHORITIES**
19 **PROVISION.**—Section 192A(g) (42 U.S.C. 12651b(g)) is
20 amended—

21 (1) in paragraph (9), by striking the semicolon
22 and inserting “; and”;

23 (2) in paragraph (10), by striking “; and” and
24 inserting a period; and

25 (3) by striking paragraph (11).

1 (c) AGREEMENTS.—Section 193A(c)(3) (42 U.S.C.
2 12651d(c)(3)) is amended—

3 (1) by striking “(3)” and inserting “(3)(A)”;

4 (2) by striking the semicolon and inserting “;
5 and”; and

6 (3) by adding at the end the following:

7 “(B) enter into agreements with other Federal
8 agencies to carry out activities to further implemen-
9 tation of the national service laws;”.

10 **SEC. 109. POINTS OF LIGHT FOUNDATION.**

11 Section 303 (42 U.S.C. 12662) is amended—

12 (1) by redesignating subsection (b) as sub-
13 section (c); and

14 (2) by inserting after subsection (a) the follow-
15 ing:

16 “(b) CHIEF EXECUTIVE OFFICER AS EX OFFICIO
17 MEMBER OF BOARD OF DIRECTORS.—The Chief Execu-
18 tive Officer of the Corporation may serve as an ex officio,
19 nonvoting member of the Board of Directors of the Foun-
20 dation.”.

21 **SEC. 110. AUTHORIZATION OF APPROPRIATIONS.**

22 Section 501 (42 U.S.C. 12681) is amended—

23 (1) in subsection (a)—

24 (A) in paragraph (1)—

1 (i) in subparagraph (A), by striking “,
2 \$45,000,000 for fiscal year 1994 and such
3 sums as may be necessary for each of the
4 fiscal years 1995 through 1996” and in-
5 serting “such sums as may be necessary
6 for each of fiscal years 1999 through
7 2004”; and

8 (ii) in subparagraph (B)—

9 (I) in clause (i), by striking “sub-
10 part A” and inserting “subparts A
11 and D”; and

12 (II) in clause (ii), by striking
13 “subpart B” and inserting “subparts
14 B and D”;

15 (B) in paragraph (2)(A)—

16 (i) by striking “provide national serv-
17 ice educational awards” and inserting
18 “make payments from the National Service
19 Trust”; and

20 (ii) by striking “\$300,000,000 for fis-
21 cal year 1994, \$500,000,000 for fiscal year
22 1995, and \$700,000,000 for fiscal year
23 1996” and inserting “such sums as may be
24 necessary for each of fiscal years 1999
25 through 2004”;

1 (C) in paragraph (3), by striking “the fis-
2 cal years 1995 through 1996” and inserting
3 “fiscal years 1999 through 2004”; and

4 (D) in paragraph (4)(A), by striking
5 “\$40,000,000 for fiscal year 1994, \$60,000,000
6 for fiscal year 1995, and \$70,000,000 for fiscal
7 year 1996” and inserting “such sums as may
8 be necessary for each of fiscal years 1999
9 through 2004”; and

10 (2) in subsection (b), by striking “\$5,000,000
11 for each of the fiscal years 1994 through 1996” and
12 inserting “such sums as may be necessary for each
13 of fiscal years 1999 through 2004”.

14 **TITLE II—AMENDMENTS TO THE**
15 **DOMESTIC VOLUNTEER SERV-**
16 **ICE ACT OF 1973**

17 **SEC. 201. REFERENCES.**

18 Except as otherwise expressly provided, whenever in
19 this title an amendment or repeal is expressed in terms
20 of an amendment to, or repeal of, a section or other provi-
21 sion, the reference shall be considered to be made to a
22 section or other provision of the Domestic Volunteer Serv-
23 ice Act of 1973 (42 U.S.C. 4950 et seq.).

1 **SEC. 202. GENERAL PROVISIONS.**

2 The table of contents in section 1(b) (42 U.S.C. prec.
3 4950) is amended—

4 (1) by striking the item relating to the title
5 heading for title II and inserting the following:

“TITLE II—NATIONAL SENIOR SERVICE CORPS”;

6 (2) by striking the item relating to section 221
7 and inserting the following:

“Sec. 221. Promotion of National Senior Service Corps.”;

8 (3) by striking the item relating to section 224
9 and inserting the following:

“Sec. 224. Use of locally generated contributions in National Senior Service
Corps.”;

10 and

11 (4) by striking the item relating to section 502
12 and inserting the following:

“Sec. 502. National Senior Service Corps.”.

13 **SEC. 203. NATIONAL VOLUNTEER ANTIPOVERTY PRO-**
14 **GRAMS.**

15 (a) **PURPOSE.**—Section 101 (42 U.S.C. 4951) is
16 amended—

17 (1) in the second sentence, by striking “af-
18 flicted with” and inserting “affected by”; and

19 (2) in the third sentence, by inserting after
20 “local level,” the following: “to support efforts by
21 local agencies and organizations to achieve long-term

1 sustainability of programs of full-time volunteers in
2 the absence of Federal assistance,”.

3 (b) SELECTION AND ASSIGNMENT.—Section 103 (42
4 U.S.C. 4953) is amended—

5 (1) in subsection (b)(2)(A), in the second sen-
6 tence, by striking “National and Community Service
7 Trust Act of 1993” and inserting “National and
8 Community Service Act of 1990”;

9 (2) in subsection (c)(1)(F), by striking “Na-
10 tional and Community Service Trust Act of 1993”
11 and inserting “National and Community Service Act
12 of 1990”; and

13 (3) by adding at the end the following:

14 “(i) The Director is encouraged to enter into agree-
15 ments with public agencies and private organizations
16 under which the agencies and organizations pay for all,
17 or a portion of, the direct cost of supporting volunteers
18 serving under this part.”.

19 (c) VOLUNTEER LEADERS.—Section 105(a)(1) (42
20 U.S.C. 4955(a)(1)) is amended—

21 (1) by redesignating subparagraph (C) as sub-
22 paragraph (D);

23 (2) in subparagraph (B), by striking the second
24 sentence; and

1 (3) by inserting after subparagraph (B) the fol-
2 lowing:

3 “(C) The Director may provide a stipend of a maxi-
4 mum of \$200 per month to persons designated by the Di-
5 rector to serve as volunteer leaders under this part. The
6 Director shall designate the leaders, in accordance with
7 standards established in such regulations as the Director
8 shall prescribe, on the basis of experience and special skills
9 and demonstrated leadership among volunteers or partici-
10 pants.”.

11 **SEC. 204. NATIONAL SENIOR SERVICE CORPS.**

12 (a) TITLE.—Title II (42 U.S.C. 2000) is amended,
13 in the title heading, by striking “NATIONAL SENIOR
14 VOLUNTEER CORPS” and inserting “NATIONAL
15 SENIOR SERVICE CORPS”.

16 (b) PURPOSES.—Section 200 (42 U.S.C. 5000) is
17 amended by striking “It is the purpose of” and all that
18 follows and inserting the following: “It is the purpose of
19 this title to provide—

20 “(1) opportunities for service by older individ-
21 uals to meet unmet national, State, and local needs
22 in the areas of education, public safety, health and
23 human services, and the environment;

24 “(2) for the National Senior Service Corps,
25 comprised of the Retired and Senior Volunteer Pro-

1 gram, the Foster Grandparent Program, and the
2 Senior Companion Program, and demonstration and
3 other programs, to empower older individuals to con-
4 tribute to their communities through service, en-
5 hance the lives of the older individuals and the per-
6 sons served, and provide communities with valuable
7 services;

8 “(3) opportunities for people age 55 or older,
9 through the Retired and Senior Volunteer Program,
10 to share their experiences, abilities, and skills to im-
11 prove their communities and themselves;

12 “(4) opportunities for people age 55 or older,
13 through the Foster Grandparents Program, to have
14 a positive impact on the lives of children in need;

15 “(5) opportunities for people age 55 or older,
16 through the Senior Companion Program, to provide
17 critical support services and companionship to adults
18 who are at risk of institutionalization and who are
19 struggling to maintain a dignified independent life;
20 and

21 “(6) for demonstration and other programs to
22 enable older individuals to meet unmet needs in their
23 communities.”.

24 (c) FOSTER GRANDPARENT PROGRAM.—Section 211
25 (42 U.S.C. 5011) is amended—

1 (1) in subsection (a)—

2 (A) in the first sentence, by striking “aged
3 sixty or over” and inserting “age 55 or older
4 (with individuals age 60 or older given priority
5 for enrollment)”; and

6 (B) in the fourth sentence, by striking
7 “per centum” and inserting “percent”; and

8 (2) in subsection (e)(1), by striking “125 per
9 centum” and inserting “150 percent”.

10 (d) SENIOR COMPANION PROGRAM.—Section 213(a)
11 (42 U.S.C. 5013(a) is amended by striking “aged 60 or
12 over” and inserting “age 55 or older (with individuals age
13 60 or older given priority for enrollment)”.

14 (e) TECHNICAL AMENDMENT CONCERNING AGE CRI-
15 TERION.—Section 223 (42 U.S.C. 5023) is amended by
16 striking “sixty years and older”.

17 (f) TECHNICAL AMENDMENTS CONCERNING
18 NAME.—

19 (1) HEADINGS—Sections 221 and 224 (42
20 U.S.C. 5021, 5024) are amended, in the section
21 heading, by striking “NATIONAL SENIOR VOLUNTEER
22 CORPS” and inserting “NATIONAL SENIOR SERVICE
23 CORPS”.

24 (2) TEXT.—Section 224 (42 U.S.C. 5024) is
25 amended by striking “National Senior Volunteer

1 Corps” and inserting “National Senior Service
2 Corps”.

3 **SEC. 205. ADMINISTRATION AND COORDINATION.**

4 Paragraphs (13) and (14) of section 421, and section
5 425 (42 U.S.C. 5061, 5065) are amended by striking
6 “National Senior Volunteer Corps” each place it appears
7 and inserting “National Senior Service Corps”.

8 **SEC. 206. AUTHORIZATION OF APPROPRIATIONS.**

9 (a) NATIONAL VOLUNTEER ANTIPOVERTY PRO-
10 GRAM.—Section 501(a) (42 U.S.C. 5081(a)) is amend-
11 ed—

12 (1) in paragraph (1), by striking “\$56,000,000
13 for fiscal year 1994, and such sums as may be nec-
14 essary for each of the fiscal years 1995 and 1996”
15 and inserting “such sums as may be necessary for
16 each of fiscal years 1999 through 2004”;

17 (2) in paragraph (2), by striking “\$5,600,000
18 for fiscal year 1994, and such sums as may be nec-
19 essary for each of the fiscal years 1995 and 1996”
20 and inserting “such sums as may be necessary for
21 each of fiscal years 1999 through 2004”;

22 (3) in paragraph (3), by striking “such sums as
23 may be necessary for each of the fiscal years 1994
24 through 1996” and inserting “such sums as may be

1 necessary for each of fiscal years 1999 through
2 2004”; and

3 (4) in paragraph (4), by striking “such sums as
4 may be necessary for each of the fiscal years 1994
5 through 1996” and inserting “such sums as may be
6 necessary for each of fiscal years 1999 through
7 2004”.

8 (b) NATIONAL SENIOR SERVICE CORPS.—Section
9 502 (42 U.S.C. 5082) is amended—

10 (1) in the section heading, by striking “**NA-**
11 **TIONAL SENIOR VOLUNTEER CORPS**” and insert-
12 ing “**NATIONAL SENIOR SERVICE CORPS**”;

13 (2) in subsection (a), by striking
14 “\$45,000,000” and all that follows and inserting
15 “such sums as may be necessary for each of fiscal
16 years 1999 through 2004.”;

17 (3) in subsection (b), by striking
18 “\$85,000,000” and all that follows and inserting
19 “such sums as may be necessary for each of fiscal
20 years 1999 through 2004.”;

21 (4) in subsection (c), by striking “\$40,000,000”
22 and all that follows and inserting “such sums as
23 may be necessary for each of fiscal years 1999
24 through 2004.”; and

1 (5) in subsection (d), by striking “such sums”
2 and all that follows and inserting “such sums as
3 may be necessary for each of fiscal years 1999
4 through 2004.”.

5 (c) AVAILABILITY OF APPROPRIATIONS.—Section
6 504 (42 U.S.C. 5084) is amended—

7 (1) in subsection (a), by striking “the fiscal
8 years 1994 through 1996” and inserting “fiscal
9 years 1999 through 2004”; and

10 (2) in subsection (b), by striking “the fiscal
11 years 1994 through 1996” and inserting “fiscal
12 years 1999 through 2004”.

13 **TITLE III—TECHNICAL** 14 **AMENDMENTS TO OTHER LAWS**

15 **SEC. 301. REFERENCE TO SECRETARY OF EDUCATION.**

16 Section 502(b) of the National and Community Serv-
17 ice Trust Act of 1993 (42 U.S.C. 12501 note) is amended
18 by striking “Secretary of Education” and inserting “Chief
19 Executive Officer of the Corporation for National and
20 Community Service”.

21 **SEC. 302. REFERENCE TO NATIONAL AND COMMUNITY** 22 **SERVICE TRUST ACT OF 1993.**

23 Section 7144(d)(3) of the Bilingual Education Act
24 (20 U.S.C. 7474(d)(3)) is amended by striking “National
25 Community and Service Trust Act of 1993 programs” and

- 1 inserting "programs carried out under the National and
- 2 Community Service Act of 1990".

National Service Reauthorization Proposals Under Discussion December 1998
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A. Overview

The primary purpose of the national service reauthorization proposal is to extend existing national service legislation – the National and Community Service Act of 1990 as amended and the Domestic Volunteer Service Act of 1973. The extension will authorize support for programs that encourage Americans to engage in full-time or part-time service in their communities in order to meet unmet needs in the areas of education, public safety, the environment, and other human needs, such as health and housing.

The specific proposed changes to existing legislation, in addition to technical and conforming amendments, are listed below.

B. Proposals to amend the National and Community Service Act of 1990 (NCSA)

General Provisions	Explicitly identifies service-learning as one of the purposes of the National and Community Service Act.
Learn and Serve America	• Explicitly provides that Indian Tribes are eligible for community-based grants (this is not explicit under current law). • Eliminates requirement that Corporation give cumulative weight to specified selection criteria under the higher education grants program.

AmeriCorps Grants

- Codifies prohibition on grants to Federal agencies.
- Codifies maximum Corporation share of average budgeted cost per AmeriCorps member at \$15,000 for fiscal year 1999, adjusted for inflation in fiscal years 2000 through 2004.
- Ensures that each State receives at least \$500,000 in formula grants (current law is silent, current allocation is \$450,000).
- Allows funds reserved for disability outreach purposes -- limited under current law to AmeriCorps State competitive and AmeriCorps National Direct -- to be made available to any program supported under the national service laws and also to be used to support disability demonstration activities.
- Provides for downward adjustment of living allowance for full-time terms of service shorter than 12 months.
- Allows up to \$15,000,000 in subtitle C funds to be used to provide operational assistance (capped at \$1,000 per member) to programs that provide balance of support necessary to operate program, without administrative cost, matching fund, and member support requirements. (These AmeriCorps Education Award programs are currently funded under demonstration authority in subtitle H).

National Service Trust

- Adds authority to use funds in the National Service Trust to support scholarships to high school students engaging in outstanding service.
- Provides that an individual may receive no more than the aggregate value of two education awards (current law's limit is two education awards for first two terms of service, regardless of amounts, which limit opportunities for individuals serving part-time terms).
- Expands the types of student loans that may be repaid with the education award, including those made by federally-approved lenders and State agencies.

National Civilian Community Corps

- Adds disaster relief to the NCCC's statement of purpose.
- Adds authority to utilize individuals as team leaders, without regard to the otherwise applicable restrictions on age and the amount of the living allowance.
- Provides that the education award is the only type of post-service benefit provided (current law authorizes provision of an alternative post-service benefit).

**Corporation
Governance**

- Authorizes members of the Corporation's Board of Directors to serve until successor takes office.

**Points of Light
Foundation**

- Authorizes Corporation's Chief Executive Officer to serve as a nonvoting member of the Points of Light Foundation's Board of Directors.

**NCSA
Authorization of
Appropriations**

- Authorizes such sums as necessary for fiscal years 1999-2004.

**C. Proposals to amend the Domestic Volunteer Service Act of 1973
(DVSA)**

VISTA

- Adds long-term sustainability of local organizations to VISTA's statement of purpose.
- Encourages use of cost-sharing arrangements under which organizations defray all or part of the direct cost of supporting AmeriCorps*VISTA members.
- Opens positions as VISTA leaders to individuals with experience in service (current law restricts to former VISTA members).

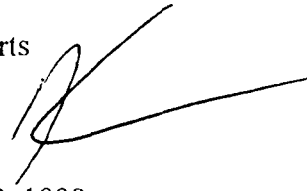
**National Senior
Service Corps**

- Codifies the name of the program as "National Senior Service Corps" in place of "National Senior Volunteer Corps".
- Adds an emphasis on meeting community needs to the Senior Corps' statement of purpose.
- Lowers minimum age for Foster Grandparents and Senior Companions from 60 to 55.
- Definition of "low-income" for purposes of the Foster Grandparent and Senior Companion programs increases from 125 to 150 percent of poverty line.

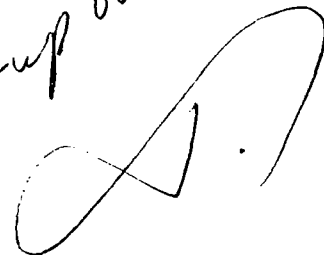
**DVSA Authorization
of Appropriations**

- Authorizes such sums as necessary for fiscal years 1999-2004 for DVSA activities.

MEMORANDUM

To: John Gomperts
From: Ken Klothen 
Date: December 18, 1998
Re: Employment status of AmeriCorps members

*Shirley -
You: I should
follow-up on this.*



The Corporation has consistently interpreted the National and Community Service Act as precluding, as a matter of law, the finding of an employment relationship between AmeriCorps members and the programs in which they are enrolled. The Department of Labor has agreed with this interpretation with respect to both the Federal Unemployment Tax Act (FUTA) and the Fair Labor Standards Act (FLSA). See attachments A and B. This memorandum recommends that the Corporation seek a uniform Administration policy on the employment status of AmeriCorps members under FUTA, FLSA, and the Federal Insurance Contributions Act (FICA).

While we are unaware of any formal determination, we have recently been advised informally that the Internal Revenue Service and the Social Security Administration see no basis to exclude any AmeriCorps benefits (including the education award) from coverage under FICA. According to the IRS Counsel's office, those agencies recognize exceptions to FICA coverage only if those exceptions are explicitly codified in FICA itself.

In the absence of a definitive determination on FICA, AmeriCorps members have not been subject to consistent coverage. Living allowances provided to AmeriCorps*State/National and NCCC members are currently treated as subject to FICA, while living allowances provided to AmeriCorps*VISTA members are not. The education award has not been considered subject to FICA taxes for any AmeriCorps members.

I have discussed this with Gary Kowalczyk and David Spevacek. It is our view that the current disparate treatment of living allowances for purposes of FICA, attributable in large part to the absence of definitive guidance by the IRS and SSA, is untenable. Rather than simply request a ruling from those agencies, however, we recommend bringing the larger issue of the employment status of AmeriCorps members to an inter-agency forum for resolution. Our hope is that there will be one Administration-wide position: AmeriCorps members are not employees for purposes of FLSA, FUTA, or FICA. This policy would focus

solely on whether an employment relationship exists and would therefore be distinguishable from the question of whether AmeriCorps education awards constitute “income” for purposes of federal income tax.

If an inter-agency process instead results in a less favorable resolution -- a ruling that FICA applies to all AmeriCorps benefits -- we will at least have clear guidance as to the rules regarding FICA. If FICA applies to all AmeriCorps benefits, the Corporation will have to begin paying employer taxes on education awards and the VISTA living allowance. This involves a 6.2 percent tax for social security purposes and a 1.45 percent tax for Medicare purposes. The Corporation will also have to begin withholding each AmeriCorps member’s FICA contribution, calculated on the same basis.

A definitive ruling that FICA applies to all AmeriCorps benefits, including the education award, will also make clear the need for a legislative solution. It is our sense that proposing an exception from FICA coverage only for the education award might find support based on its similarity to other education-related income that is not subject to FICA (e.g., qualified scholarships, employer educational assistance, veterans’ educational benefits).

In sum, we propose

- (1) requesting, through the Administration’s inter-agency setting of policy, a determination that AmeriCorps members are not subject to FLSA, FUTA, or FICA; and
- (2) in the event of a determination that FICA applies to all AmeriCorps benefits, seeking a legislative remedy to exclude the education award from FICA coverage.

U.S. Department of Labor

Employment Standards Administration
Wage and Hour Division
Washington, D.C. 20210



NOV 18 1998

The Honorable Harris Wofford
Chief Executive Officer
Corporation for National Service
1201 New York Avenue, N.W.
Washington, D.C. 20525

Dear Senator Wofford:

I am writing in reply to your November 2, 1998 letter to Secretary of Labor Alexis M. Herman regarding the relationship between the work done by AmeriCorps members and the Fair Labor Standards Act. AmeriCorps participants perform services pursuant to the National and Community Service Act of 1990, as amended, 42 U.S.C. 12501 *et seq.*, working for community based non-profit organizations. AmeriCorps participants enroll for a specific term, which is between nine and twelve months for full-time members, and they receive a fixed allowance to cover their living expenses. After the completion of their service, AmeriCorps participants also receive an education award.

When Congress amended the National and Community Service Act by passing the National and Community Service Trust Act of 1993, it included a specific definition of the term "participant." In that definition, which applies to members in AmeriCorps positions, Congress included the following proviso: "(B) RULE. A participant shall not be considered to be an employee of the program in which the participant is enrolled." 42 U.S.C. 12511(17)(B). Given this statutory language, we agree that an individual whose relationship with a program is limited to that of an AmeriCorps participant is not an employee of the program for purposes of the Fair Labor Standards Act.

Accordingly, in light of Congress' definitional Rule declaring that AmeriCorps participants are not employees of the program in which they are enrolled by virtue of their AmeriCorps service, we concur that they are not entitled to wages from the program that meet the requirements of the Fair Labor Standards Act.

We trust that this fully responds to your inquiry.

Sincerely,

John R. Fraser
Acting Administrator

Working for America's Workforce

U. S. Department of Labor Employment and Training Administration Washington, D.C. 20210	CLASSIFICATION UI
	CORRESPONDENCE SYMBOL TEURI.
	DATE April 20, 1995

DIRECTIVE : UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 25-95

TO : ALL STATE EMPLOYMENT SECURITY AGENCIES

FROM : MARY ANN WYRSCH *Mary Ann Wyrsh*
Director *ELG*
Unemployment Insurance Service

SUBJECT : Coverage of Services Performed by AmeriCorps Participants

1. Purpose. To provide States with guidance concerning coverage of services performed by AmeriCorps participants for State and local governments and certain nonprofit organizations.

2. References. The Federal Unemployment Tax Act (FUTA), 26 U.S.C. 3301 et seq., and the National and Community Service Act of 1990 (NCSA), as amended, codified at 42 U.S.C. 12501 et seq.

3. Background. The Department has received several inquiries concerning whether Federal unemployment compensation (UC) law requires State UC coverage of services performed by AmeriCorps participants for State or local governments and certain nonprofit organizations in National and Community Service Programs under the NCSA. This UIPL provides guidance on this issue.

4. Discussion.

a. AmeriCorps. Under the NCSA, the Corporation for National Service makes grants to States, which in turn grant the funds to local non-profit organizations and educational institutions which operate the National and Community Service Programs. The Corporation also grants funds directly to national non-profit organizations, State and local governmental entities and Native American Indian tribes for these public service programs. The Corporation is charged with the operation of three programs: AmeriCorps, Learn and Serve America and the National Senior Service Corps.

Participants in AmeriCorps grantee programs perform full-time or part-time public services in exchange for post-service educational benefits. Full-time participants receive a stipend for living expenses while enrolled. Participants generally perform public service in one of four areas: education, environment, public safety or human service. For example,

RESCISSIONS None	EXPIRATION DATE April 30, 1996
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participants may provide services at a soup kitchen or may transform a vacant lot into an urban garden.

b. Federal UC Law Requirements. Section 3304(a)(6)(A), FUTA, requires that UC must be payable based on services performed in the employ of State and local governments and certain nonprofit organizations. Specifically, UC must be payable based on the services described in Section 3309(a)(1), FUTA. Section 3309(a)(1), FUTA, applies to those services excluded from the definition of employment solely by reason of being performed for the State and local governments described in Section 3306(c)(7), FUTA, or the religious, charitable, educational and other nonprofit organizations described in Section 3306(c)(8), FUTA. Exclusions to this required coverage are found in the other paragraphs of Section 3306(c), FUTA, and Section 3309(b), FUTA. Whether an individual performs services in the employ of a governmental or nonprofit entity is generally determined under the common-law test required by Section 3306(i), FUTA.

In sum, Federal UC law requires that UC must be paid based on services performed by an employee for governmental and nonprofit entities unless an exclusion exists in Federal law. The question concerning AmeriCorps is whether an employment relationship exists between the AmeriCorps participants and the grantee/subgrantee programs.

c. Application of Federal UC Law to AmeriCorps Services. The General Counsel for the Corporation for National Service has provided an opinion (attached) which interprets the NCSA as precluding, as a matter of law, the finding of an employer-employee relationship between the grantee/subgrantee program and the participant. Since the Corporation for National Service is the organization with the responsibility for administering and interpreting the NCSA, the Department has chosen to defer to its interpretation. Therefore, since there is no employer-employee relationship under this interpretation, the required coverage provision of Section 3304(a)(6)(A), FUTA, does not apply. At the same time, nothing in the NCSA or the FUTA requires States to exclude services performed by Americorps participants. Whether such services are covered is a matter to be determined under each State's law.

5. Action Required. State agency administrators are requested to provide the above information to appropriate staff.

7. Inquiries. Direct questions to the appropriate Regional Office.

Attachment

MEMORANDUM

TO: Mary Ann Wyrsh
U.S. Department of Labor

FROM: Terry Russell 
General Counsel

RE: Our interpretation of the National and Community Service Act of 1990, as amended, with respect to whether an employment relationship exists between AmeriCorps participants and grantee programs.

DATE: March 6, 1995

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The National and Community Service Act of 1990, as amended (NCSA), provides that "[a] participant shall not be considered to be an employee of the program in which the participant is enrolled." 42 U.S.C. § 12511(17)(B). Thus, as a matter of law, an employer/employee relationship does not exist between the grantee/subgrantee program and the participant. While characteristics of a common law employer/employee relationship may exist in particular instances, these facts are immaterial as the NCSA precludes the finding of such a relationship as a matter of law. We interpret the introductory language of section 12511, "for purposes of this subchapter," as merely meaning that the terms used in the subchapter must be interpreted in accordance with the definitions listed in the definitional section.

The payment by AmeriCorps grantees/subgrantees of State workers' compensation taxes based on participants' service or taxes on participants' wages under the Federal Insurance Contributions Act, 26 U.S.C. § 3101 et seq. (FICA), is consistent with the above interpretation of section 12511(17)(B). AmeriCorps grantees/subgrantees may still be liable for the payment of workers' compensation and FICA taxes despite the provision in section 12511(17)(B) that participants are not employees, because the NCSA expressly authorizes the use of grant funds to pay workers' compensation and FICA to the extent the program is subject to such taxes. 42 U.S.C. § 12594(b). This specific provision relating to workers' compensation and FICA taxing takes precedence over the general provision that participants are not employees. Since the NCSA also expressly mentions the Federal Unemployment Tax Act (FUTA) tax, a similar result would occur to the extent that grantees may be subject to the federal unemployment tax, although most such organizations, as non-profits and State and local governmental organizations, are not subject to this tax. No similar provision exists, however, to authorize the use of grant funds to pay State unemployment contributions or reimbursements. Thus, we interpret the NCSA as providing that AmeriCorps participants are not employees of the grantee/subgrantee programs with the express statutory exception that they may be treated as such for workers' compensation purposes, and, to the extent that the grantee/subgrantee is subject to FICA and FUTA taxes, for the purposes of those statutes as well.

1201 New York Avenue
Washington, DC 20005
Telephone 202 696-5000

Carding Three Desk
AmeriCorps National
Learn and Serve America
National Service System

The John H. Chafee “What Works” National Service Fund

Description of new fund:

As President Bush once said, “Every social problem in America is being successfully solved in some community, some where.” Over the course of the last eight years, funded by President Bush’s Commission on National Service and its successor, the Corporation for National Service, innovative national service programs, working in local communities across the country, have proven this statement to be true. From Catholic Charities efforts at re-settling refugees across the country, to Project SERVE’s work in Baltimore’s empowerment zone, to the growth and development of City Year in ten cities nationwide, many of these efforts have begun to show demonstrable progress at meeting unmet human needs.

In honor of Senator John H. Chafee’s thirty-year career in the Senate and life-long commitment to building bi-partisan support for citizen service, the John H. Chafee “What Works” National Service Fund will provide \$50,000,000 of additional funds to support proven programs to expand to partner with residents of other communities to demonstrate the power of effective citizen service to demonstrably change lives. Programs funded by the John H. Chafee “What Works” National Service Fund must have a track record of producing demonstrable results, be in existence at least 3 years, and clearly identify a set of objective measures used to gauge their success. If selected, future funding from the “What Works” Fund will be performance-based, dependent upon the programs achieving the set of objective measures proposed in the application. All funded programs must also raise at least a 50% private sector match for these funds, thus doubling the impact of the federal funds. Priority will be given to programs that currently receive Corporation for National Service Funding, but other service programs with demonstrable track records will be eligible to apply.

The John H. Chafee “What Works” National Service Fund will be advised by a 11 person honorary advisory board, chaired by Senator Chafee, with 5 additional members appointed by President Clinton and five members appointed by former President George Bush.

The concept of the “What Works” National Service Fund was developed by non-profit leaders in touch with local communities across the country. The concept has been endorsed by the following organizations:

- Hands on Atlanta/City Cares
- City Year
- the BELL Foundation
- Teach for America
- Jumpstart
- Community Impact
- Partners in School Innovation

The above-listed programs have partnered with the following local communities to support AmeriCorps Programs:

Baltimore, MD, Boston, MA, Cleveland, OH, Columbia, SC, Columbus, OH, Houston, TX, Los Angeles, CA, New Haven, CT, New York City, NY, Pittsburgh, PA, Philadelphia, PA, Phoenix,

AZ, Providence, RI, San Francisco, CA, San Antonio, TX, San Jose, CA, Seattle/King County,
Syracuse, NY, Washington, DC

The John H. Chafee What Works National Service Fund

Amend 42 U.S.C. 129, Subchapter 1, Division C of the National and Community Service Act to add the following new section ---

Section 1: The John H. Chafee What Works National Service Fund

(a) Purpose. It is the purpose of this fund to identify and expand national service programs that already have had demonstrable success in addressing unmet human, educational, environmental or public safety needs in the communities that they have served, as determined through objective evaluation criteria and measurable performance goals.

(b) Criteria. Grantees under this Section shall –

(1) be a public or private nonprofit organization;

(2) meet the criteria of Section __ (42 U.S.C. 12572) (current AmeriCorps criteria)

(3) be able to demonstrate significant human, educational, environmental or public safety impact, as identified by objective evaluation criteria and measurable performance goals, such as results-based performance measures, independent evaluation, and customer surveys; and

(4) have a plan for the expansion of the program to additional sites.

(5) provide at least 50% private sector match for the cost of carrying out programs funded under this Section through private sources.

(c) Priority. In awarding grants under this section, the Corporation will give priority to organizations that currently receive funding under Section __ (42 U.S.C. 12571).

(d) Applications. Each organization interested in receiving a grant shall submit an application pursuant to Section __ (42 U.S.C. 12582) that describes –

(1) how the applicant meets the criteria described in subsection (b);

(2) the results-based measures it will use to determine the future impact of programs funded under this section and the methods it will use to determine success of programs in meeting those measures;

(e) Project periods and funding renewal. (1) Grants under this section shall be for a project period not to exceed three years.

(2) In order to receive renewal funds under this section for the second and third year of the project, a grantee shall demonstrate that its programs are making reasonable progress toward its results-based measures as defined in subparagraph (d)(2).

(f) Bipartisan Advisory Board. (1) There is established a 11 person Bipartisan Advisory Board to advise and inform the process described in this Section, chaired by Senator John H. Chafee.

(2) Five members of the Board's membership will be appointed by President Bill Clinton, and five members will be appointed by former President George Bush in honor of his commitment to citizen service.

(g) Authorization. There are authorized to be appropriated \$50,000,000 for fiscal year 2001 and each of the four succeeding fiscal years to carry out this Section.